

Market Commentary

Recap: The oil market on Friday posted an outside trading day but continued to trade within Wednesday's trading range. The market, which continued to take further profits in overnight trading, breached its previous low of \$86.39 and sold off to a low of \$86.15. However, the market bounced off its low and retraced all of its previous losses and breached its previous high as it posted a high of \$87.95 in afternoon trading. The market remained well supported by Saudi Arabia and Russia's voluntary extension of their combined output cuts of 1.3 million until the end of the year. The October WTI contract settled up 64 cents at \$87.51 and the November Brent contract settled up 73 cents at \$90.65. Meanwhile, the heating market also lent support to the oil complex as it rallied over 11.4 cents to a high of \$3.327 by mid-day, with the October heating oil contract settling up 8.68 cents at \$3.2991. The October RB contract settled up 3.07 cents at \$2.6537.

Technical Analysis: The oil market was seen remaining supported by concerns about tight oil supplies following Saudi Arabia and Russia's decision to extend their supply cuts. The oil market was also seen remaining in its upward trending channel, as stochastics are still pointing higher. The market is seen finding resistance at its high of \$87.95, \$88.08, the \$90.00 and \$90.27. However, support is seen at its lows of \$86.15, \$85.93, \$85.02 followed by \$84.19 and \$83.46.

Fundamental News: Platts latest market survey found that OPEC+ crude oil supply actually increased by 120,000 b/d in August despite well publicized production cuts by Saudi Arabia and Russia. These gains were driven by increases recorded by Iran, Iraq and Nigeria. The survey found that Saudi Arabia's crude production was 8.95 million b/d in August, down by 100,000 b/d from July and at its lowest level since May 2022. Russian crude oil production in August was pegged at 9.4 million b/d down just 20,000 b/d from July levels. While Russia in July had pledged a 500,000 b/d supply cut, it noted its cutbacks pertained to a reduction in exports not production levels. Iranian production meanwhile was estimated at 2.95 million b/d the highest monthly level since November 2018.

Baker Hughes reported that U.S. energy firms this week increased the number of oil rigs operating for the first time since June, while they cut the number of natural gas rigs. It reported that the oil and gas rig count increased by 1 to 632 in the week ending September 8th. U.S. oil rigs increased by 1 to 513 this week, while gas rigs fell by 1 to 113, the lowest level since January 2022.

IIR Energy reported that U.S. oil refiners are expected to shut in about 407,000 bpd of capacity in the week ending September 8th, increasing available refining capacity by 200,000 bpd. Offline capacity is expected to increase to 479,000 bpd in the week ending September 15th before increasing to 1.06 million bpd in the week ending September 22nd.

Colonial Pipeline Co is allocating space for Cycle 53 shipments on Line 20, which carries distillates from Atlanta, Georgia to Nashville, Tennessee.

The Biden Administration released a draft of an environmental study that a judge ordered for Energy Transfer LP's Dakota Access Pipeline. The study by the U.S. Army Corps of Engineers stopped short of recommending whether to grant an easement the pipeline needs to continue operating. It said officials should wait for a final version that will include comments from the public. The pipeline is expected to transport 200 million barrels of crude a year from North Dakota's Bakken oil fields to Illinois' Patoka oil terminal.

Early Market Call - as of 8:40 AM EDT

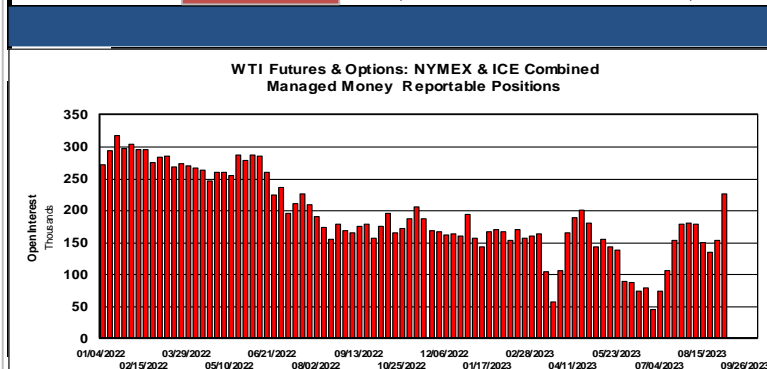
WTI - October \$87.18, down 33 cents
 RBOB - October \$2.6683, up 1.46 cents
 HO - October \$3.3460, up 4.69 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Sep-23	3.2991	0.0868	0.1941
Oct-23	3.2149	0.0698	0.1766
Nov-23	3.0894	0.0598	0.1499
Dec-23	3.0187	0.0544	0.1305
Jan-24	2.9682	0.0504	0.1179
Feb-24	2.9119	0.0459	0.1059
Mar-24	2.8494	0.0412	0.0938
Apr-24	2.8111	0.0387	0.0865
May-24	2.7849	0.0367	0.0835
Jun-24	2.7709	0.0350	0.0796
Jul-24	2.7586	0.0336	0.0758
Aug-24	2.7477	0.0328	0.0730
Sep-24	2.7360	0.0322	0.0716
Oct-24	2.7221	0.0315	0.0708
Nov-24	2.7045	0.0301	0.0687
Dec-24	2.6862	0.0281	0.0658
Jan-25	2.6630	0.0246	0.0611

Sprague HeatCurve October 2023-April 2024 \$3.0330

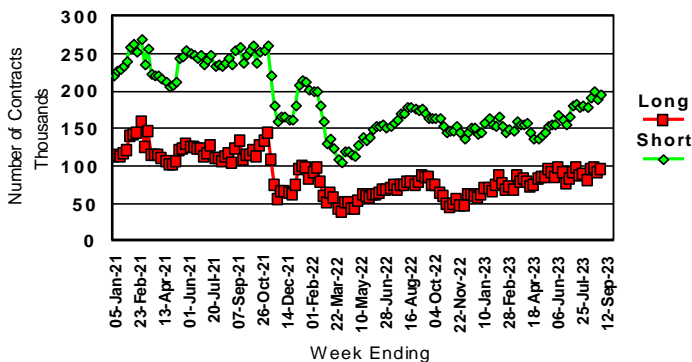
	Close	Change
Crude - WTI	\$86.8100	\$0.6600
Crude - Brent	\$90.6500	\$0.7300
Natural Gas	\$2.6050	\$0.0260
Gasoline	\$2.6537	\$0.0307



Commitment of Traders Report for the Week Ending September 5, 2023

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

